

Federal Government Partial Shutdown Attachment

To: Washington Representatives and State-Federal Contacts
Re: NGA notes on agency plans related to a federal government shutdown
Date: April 7, 2011

The following notes were put together by NGA staff from conversations with federal agency intergovernmental contacts. All agencies are expected to publicize their contingency plans on their websites once they are finalized. Please use the following information as merely guidance, but rely only on official notice from the agencies when making decisions related to the shutdown.

Commerce

- Will post guidance later *tonight* on their website; indicated efforts at trying to standardize guidance across all federal agencies
 - DOC will issue guidance that EDA and NTIA (and all other sub agencies) will follow

DHS

- Approximately 85% of DHS personnel would not be affected by a federal government shutdown.
- Border security, transportation security, immigration enforcement, cybersecurity, state and local fusion centers and disaster response activities would not be affected.
- The disaster declaration process would be unaffected. Watch centers would continue to be staffed and the same call numbers will work.
- The e-Verify system to check the immigration status of job applicants would be shut down.
- Any grant program funds from FY10 that can be drawn down electronically would continue (AFG and SAFER grant funds would not be available because these are administered through a manual process requiring personnel). Help desks for the grant funds would not be available.

DOJ

- Will not affect law enforcement officers.
- DOJ staff assigned to states are deemed law enforcement and would not be furloughed.
- The grants would not be affected because the money has already been obligated.

EPA:

- EPA says that states should not expect any information from EPA about a shutdown until there is one. OARM (the grants management part of EPA) will manage the shutdown

Education

- No formal guidance from ED will be issued until the govt is actually shutdown.
- Any federal money states have drawn down and is in their accounts would not be impacted
- Any pending or current transactions would be halted
- Department of Education expects to furlough about 4,150 of their 4,465 full and part time staff
- Most federal education programs are forward funded – The FY 2011-2012 award year does not begin until July 1.
 - Exception: The Impact Aid program is current year funded. Schools would not be able to access Impact Aid funds during a shutdown.
- The Department of Education has indicated that certain services and programs will remain operational during a shutdown, as they are funded through multi-year appropriations, or are necessary for the “safety of life and protection of property.” Such programs include FY 2010 School Improvement Grants, FY 2010 Title I grants, the FY 2010 Striving Readers program, the American Recovery and Reinvestment Act’s Education Jobs Fund, College Access Challenge Grants, Federal Student Aid, and Higher Education Aid for Hispanic-serving Institutions. However, higher education institutions would not be able to access certain programs during a shutdown including any campus-based program awards, such as the Perkins Loan program.

FederalReporting.gov

- Help desk will not be closed during a shutdown. ARRA reporting will remain on schedule.

HUD (*Hosting 615P conference call today to discuss plans; call-in information unavailable at this time*)

Independent Agencies

- Small Business Administration (SBA): will post contingency plans on Friday
- Federal Communications Commission (FCC): guidance expected to be posted to website on Friday

Labor

- Formal guidance to states will be released either Friday or Monday.
- In addition to written guidance, DOL will hold a conference with state agencies either Friday or Monday.
- In the event of a shutdown, all DOL employees are required to report for work on Monday for 4 hours.
- All systems are in place for states to continue to administer federal UI benefits.
- All appropriated funding to states for the administration of federal UI benefits has been distributed to states.

- DOL has worked with states to ensure that necessary advances to state UI trust funds have been made for the near future.

National Guard –

- All uniformed personnel are to report for duty
- There will be no weekend drills
- Any soldier doing pre-mobilization training will continue to train.

Transportation

- DOT will not shut down because last month Congress passed/POTUS signed long-term extension through September 30 (Pub. L. 112-5). HTF and Aviation trust fund operational through FY11.
 - States can continue obligating HTF monies and DOT will continue reimbursing states
 - DOT operating under FY10 baseline levels

Treasury

- Will post guidance at the appropriate time, but not later than midnight Friday if the shutdown is triggered.
 - Treasury programs and departments financed by independent appropriations such as the State Small Business Credit Initiative and the Consumer Financial Protection Bureau will remain open

USDA

Agency operational plans are still being finalized, but in the event of a government shutdown most USDA activities would be shut down or significantly reduced and most USDA employees would be furloughed. However, certain USDA activities would continue because they are related to law enforcement, the protection of life and property, or are financed through available funding (such as through user fees). These include:

- Meat, poultry and egg inspection services
- Grain and other commodity inspection, weighing and grading services funded by user fees
- Inspections for import and export activities to prevent the introduction and dissemination of pests into and out of the U.S.
- Forest Service law enforcement and fire suppression efforts.
- In addition, funds have been made available to continue the Women, Infants and Children and Child Nutrition programs through June, and the Supplemental Nutrition Assistance Program has sufficient funding to allow benefits to continue through May.

Most other USDA activities would not be continued during a government shutdown. These activities include:

- Farm loans and other farm payments
- Provision of conservation technical and financial assistance
- Provision of new rural development loans and grants for housing, community facilities, utilities and businesses
- Agricultural export credit and other agricultural trade development and monitoring activities
- National Forest System recreation sites across the U.S. would be closed to the public
- Market news reports, NASS statistics, and other agricultural economic and statistical reports and projections would be discontinued
- Investigation of packers and stockyards related to fraudulent and anti-competitive activities
- Assistance for the control of most plant and animal pests and diseases would be discontinued
- Research facilities would be closed except for the care of animals and plants
- Most departmental management, administrative and oversight functions, including civil rights, human resources, financial management, audit, legal and information technology activities would be discontinued or severely curtailed.

Veterans Administration:

- 80% of annual discretionary appropriations is from advance appropriations on a two-year budget cycle.
- VA hospitals and clinics will remain open and medical appointments will not be canceled or delayed.
- There will be a reduction in staffing at the Veterans Benefits Administration, but the department has taken measures to ensure for a short-term shutdown, Veterans currently receiving VA benefits will continue to receive those payments without interruption.
- VA services that may be suspended in the event of a shutdown include answering inquiries by email, telephone or mail, and routine hiring and training.